

MARY CHIA HOLDINGS LIMITED
Company Registration No. 200907634N
(Incorporated in Singapore)

**UPDATE ON BREACH OF EMPLOYMENT OF FOREIGN MANPOWER ACT AND
MESSAGE ESTABLISHMENT RULES**

The Board of Directors (the “**Board**”) of Mary Chia Holdings Limited (the “**Company**”) refer to the announcements dated 13 May 2016 and 8 June 2016.

With reference to the Company’s announcement dated 13 May 2016, the Ministry of Manpower (“**MOM**”) has withdrawn its charges against Ms Ho Yow Ping (He YouPing) (“**Ms Ho**”), the Company’s CEO, and Ms Ho was granted a discharge amounting to an acquittal.

These charges were in relation to the receipt of financial guarantees from certain foreign employees by two wholly-owned subsidiaries of the Company, Spa Menu Pte Ltd and Urban Homme Face and Body Studio for Men Pte Ltd (“**Affected Subsidiaries**”). These charges were instead brought against the Affected Subsidiaries, which have pleaded guilty to the charges and have paid fines of S\$10,000 each.

With reference to the Company’s announcement dated 8 June 2016, Ms Ho who has been charged in her capacity as a license holder of the massage establishments of Mary Chia Beauty and Slimming Specialist Pte Ltd and Spa Menu Pte Ltd, in relation to the employment of staff without prior approval of the Licensing Officer and failure to maintain proper employee’s record at these subsidiaries. She has since pleaded guilty to the aforementioned charges and paid a fine of S\$2,600.

The Nominating Committee (“**NC**”) has reviewed and recommended that Ms Ho remains suitable as a Director and the CEO of the Company. The NC noted that Ms Ho had delegated the Company’s operations to her then subordinates from the human resource department who did not adhere to the rules of the MOM and the Massage Establishment Act. The NC is of the view that Ms Ho continues to be the best candidate for the current positions she holds. Ms Ho has more than 20 years of experience in the lifestyle and wellness industry and possesses the requisite competence and technical expertise as a CEO. The Board has accepted the NC’s recommendation with Ms Ho, being a member of the Board, abstaining from the review.

As at the date of this announcement, Mary Chia Beauty and Slimming Specialist Pte Ltd, Spa Menu Pte Ltd, and Urban Homme Face and Body Studio for Men Pte Ltd continue to operate their businesses as usual.

By Order of the Board

Mary Chia Ah Tow
Executive Chairman

1st February 2017

This announcement has been prepared by Mary Chia Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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